

**KING COUNTY ALCOHOLISM AND SUBSTANCE ABUSE
ADMINISTRATIVE BOARD AND
KING COUNTY MENTAL HEALTH ADVISORY BOARD**

JOINT BOARD MEETING

TUESDAY, SEPTEMBER 10, 2002

KCASAAB Members Present: Linda Brown, Joan Clement, Nancy Code, Jim Harbaugh, Bob Seidensticker, Yasmin Smith

KCASAAB Members Excused: Pam Detrick, Roger Goodman, Scott Strawn

KCMHAB Members Present: Helen Nilon (Applicant), Freda Monroe, Eleanor Owen, Ron Sterling, Clifford Thurston

KCMHAB Members Absent/Excused: Jack Fuller, Ray Gattavara (excused), Alice Howell (excused), Mindy Meyring (excused), Howard Miller (excused), Debra Roszkowski

Staff Attending: Mike Elsner, Sherry Hamilton, Geoff Miller, Rhoda Naguit, Jean Robertson, Rose Soo Hoo, Amnon Shoenfeld, Jim Vollendroff

Guests Present: Steve Call, KC Budget; Frank Jose, NAMI-Greater Seattle; Pat Knox, Recovery Centers of King County; Ken Nicholas, CPC-Bridgeway Program

The joint meeting of the King County Alcoholism and Substance Abuse Administrative Board (KCASAAB) and King County Mental Health Advisory Board was convened at 12:05 p.m. at the 3rd floor Board Room of the Exchange Building, 821 2nd Avenue in Seattle.

I. INTRODUCTION

After giving a brief welcome remark, KCASAAB Chair Linda Brown asked all the attendees to introduce themselves.

II. REVIEW/APPROVAL OF MINUTES

KCMHAB Vice Chair Freda Monroe asked board members present if they have any corrections on the draft August 13, 2002 Mental Health Advisory Board meeting minutes, otherwise the meeting minutes is approved.

Jim Harbaugh moved and Joan Clement seconded the motion to approve the board meeting minutes of August 13, 2002 as submitted. The motion was passed and the minutes of August 13, 2002 were unanimously approved.

<p>This material is available in alternate formats. For more information, please contact Rhoda A. Naguit at 206-296-7623 Voice or 206-296-7596 TTY.</p>
--

III. BUDGET PRESENTATION

Steve Call, KC Budget Director, gave a presentation about the King County budget. Following are the highlights of his presentation.

A. Overview of the King County Budget

King County's total budget for 2002 is \$2.9 billion.

- The majority of the budget is made up of dedicated revenues from State, Federal, and County sources that are not available for discretionary use by the County Council. These designated monies fund a variety of mandated services and programs including but not limited to transit services, roads, water and solid waste management, and some public health functions. Dedicated revenue funds must be used solely for the functions and programs to which they are targeted. State laws prohibit the County from diverting dedicated funds from one program to another or from one budget category to another regardless of evolving needs and priorities of the County.
- The Current Expense (also referred to as the General Fund) component of the budget, approximately 17% of the total, is the part of the budget available for "discretionary" use by the County Executive and County Council. Although the use of current expense funds is discretionary, a number of mandated services, including but not limited to public health and public safety, courts, and jails, must be provided with these funds. Current expense/general fund revenues must also be used for the administration of County government and to provide basic county services such as elections, licenses, animal control, land use permitting, etc. County funding for human services also comes from the general fund.
- The primary sources of current expense/general funds revenues are property and sales taxes, both of which are declining in King County. There will be an approximately \$41 million shortfall in general fund revenues for budget year 2002 with larger deficits anticipated for 2003 and 2004. The major factors contributing to the revenue shortfalls are:
 1. Declines in property tax revenue due to Initiative 747 that capped property tax increases at 1%; and,
 2. Declines in sales tax revenue due to both the overall economic recession, and the incorporation and annexation of previously unincorporated areas of the County by cities. The cities then receive the sales tax revenue that had gone to the County. Sales tax revenue has decreased by \$4-5 million during the last two years.

- Property tax revenue makes up approximately 73% of general fund revenues. With an annual inflation rate of 3-4%, and the Initiative 747 cap of 1% increase in property taxes, the County is facing a very serious financial situation with very limited options to increase general fund revenues. While utility and business taxes at the County level could be a source of additional revenue, State law prohibits counties from levying utility and business taxes limiting these tax opportunities to cities. Counties are also required by State law to have a balanced budget. King County worked very hard in the last legislative session (2001) for the right to levy a County Utility Tax but was unsuccessful. This will be a legislative priority for the coming session.
- The perceived needs for services and programs that must be funded from the current expenses/general fund far exceed the available revenues. While the general fund is “discretionary”, some services are, in fact, mandatory and must be funded before others can be considered. At the present time, approximately 68% of general fund resources are used to fund County criminal justice functions and programs including the County Sheriff, office of the Prosecuting Attorney, Public Defenders, Superior and District Courts, jail operation, juvenile detention and probation services. While there are a number of efforts and initiatives under consideration to reduce costs in these areas, criminal justice functions and public safety must remain a top priority among County services.
- Given the reality that general fund revenues are declining while the demand and needs for services is not, the only choice is to set priorities and cut general fund expenditures. The projected reductions are \$40M in 2002, \$50M in 2003, and \$30M in 2004. Overall, County government anticipates cuts of approximately 20% from the general fund during the next 3-4 years. Faced with this situation, the decision of the County Executive is that mandated core services related to public safety and public health must be given priority. The County currently does some very important things that are important to the quality of life in the community but are not mandates of county government. Unfortunately, the County cannot continue to subsidize these discretionary services such as parks and art programs, and some of the human services that rely on County funding.
- The Office of the County Executive has identified three principles that will be used to guide the difficult funding decisions. These include:
 1. Mandatory functions will not be cut as deeply as non-mandatory.
 2. Regional services will be preserved over local services. Cities should become more self-sufficient and shoulder more of the cost of local services that the County funds.
 3. Fees for services with recognition of ability to pay will be considered in all appropriate programs toward the goal of making programs more self-supporting.

- The following implications of the current budget situation and the County priorities for human services programs were identified.
 1. Attempts will be made to limit cuts in services that have a positive impact on adult and juveniles in the criminal justice system.
 2. No cuts will be made in funding that leverages State and Federal dollars or in employment services to at-risk youths.
 3. These priorities mean that there will be cuts in senior services programs and programs like affordable housing.
- The state is also facing serious budget deficits, which will mean attempts by the State to shift more responsibility to counties.
- In terms of the County budget process, the last couple of years the County has done budgeting differently largely because of the magnitude of the reduction it faces. Traditionally, the budget process begins generally in Spring and goes through the summer and wrapped up in the Fall. Now, budgeting is a 12-month-a-year-exercise. A dialogue between services agencies and the county is conducted to decide which services will be funded. By summer, decisions are already made which services will be funded, cut or eliminated. The decision is made based on the principles set by the County Executive.

B. Other Funding Approach for Additional Revenue for CD/MH

- At the County budget level the options for additional revenues or alternative funding sources are very limited. Property taxes are maxed out and the State has not been receptive to allowing the County to levy taxes such as a County utility tax. Sin taxes (i.e. increasing alcohol and tobacco taxes to fund these services) have been suggested but this cannot be done solely by the County discretion. Liquor sales have gone down in King County, which means a sin tax on liquor even if it were approved would not be a “growing” tax.
- Possibilities that can be considered at the agency/program level include fees for services based on ability to pay as permitted by State and Federal funding sources. Other possibilities might include grants and other external funding. These are initiatives that would need to happen at the agency level rather than through the County revenue process.

C. Priorities:

King County Executive Ron Sims’ priorities are public safety and public health. Under human services category, it faces a substantial reduction next year. The County is trying to mitigate reductions in programs and services that will have

adverse impact in the criminal justice system or adult/juvenile justice systems. There will be no service cuts on services that impact juveniles who are at risk or already involved in criminal justice system; programs that are either advocate for or provide assistance to the victims of domestic violence or sexual assaults; and programs that provide intervention for people who are involved in criminal justice system who have mental health/substance abuse issues. The County is trying to minimize cuts in these programs but tough choices will be made in some traditional services due to cut on discretionary dollars. Services that might be cut will be affecting seniors or people who need affordable housing. These are some of the trade offs. There will also be no cuts on Federal dollars and any dollars going towards providing employment opportunities or training to at-risk youth.

D. Effective Advocacy

Steve Call strongly urged Board members to work with elected officials to make them aware of the needs and service priorities for the groups we represent. Ron Sims reads and responds to email messages and this is one of the most effective ways to communicate with him.

F. Question-Answer and Other Comments

A question was asked if any incorporated cities have taken over any service programs from King County. Steve responded in the affirmative. One example is the public parks. The Budget as well as Park staff have been aggressively negotiating and discussing with cities about stepping up in annexing some of the services in their respective areas. The County is putting together a 5-year Plan, which will offer incentives to cities who would pick up some areas or service programs to be turned over to them. One kind of incentive is to make contributions to the capital investments of cities that are willing to take over the repair of roadways or parks in their areas.

A comment was made that with many homeowners faced with foreclosure due to high property tax, many homeowners of King County may not support an increase in property tax although it might be a good idea.

Steve spoke about an initiative launched by the Executive a couple of months ago, which will be a major highlight of the 2003 budget. It is the establishment of a Community Corrections Division within the Department of Adult and Juvenile Detention. This is an effort to divert folks out of the jail, out of security detention which is very expensive because it cost a lot of money to operate jail and its facilities. In addition, in a long term the County needs to avoid building another jail. Next year, an expanded Day Reporting Center will be in operation so that low-level offenders, many of whom may have mental health/chemical abuse problems, may report there and access services to maintain connection with community providers.

The County will also increase its work crews; create programs targeting co-occurring disorders people; and expand drug court to divert the people out of the system and put them into treatment so that they could have a chance not to turn their life's around but not to become a part of the revolving door within the criminal justice system.

There was a comment made about the need for individuals to ultimately graduate from treatment as part of the expectation of the County.

There was a suggestion to create programs that would save money to re-invest e.g. expansion of methadone treatment.

Most of the expansion in service programs comes from a portion of the saving with the closing CHAT and NRF facilities next year. What the County has done was take half of the money to reduce the budget deficit. The County created an investment for the other half.

IV. LEGISLATIVE ADVOCACY COMMITTEE REPORT

Copies of the meeting minutes of the Legislative Advocacy and Public Affairs Committee were distributed.

Jim Harbaugh reported that at the last meeting of the Legislative committee, they propose two changes for the November 21, 2002 Legislative Forum. One is on the content of what the group is trying to get across the legislators and the other one is the format. The focus of the forthcoming Legislative Forum will be the budget shortfall. The Legislative Forum this year would reflect the current realities to make it more positive to get more practical solutions. The approach to the legislators is let them know that we are willing to meet them halfway. If they are involved in budget cut, show them ways to cut money, or offer ways to reinvest money in the some kind of initiatives or suggest putting some of these in a budget pool or some of them in increased methadone slots to make sure there are available services to people. Secondly, tell the legislators that we understand they have to cut a lot of things and that we are willing to cooperate with them on this but if they have to cut services they should look at the longer term effect of the cuts.

Out of the 30 legislative priority items included in a series of briefing papers recently prepared by MHCADSD staff, only three were selected by the Legislative Advocacy Committee to present at the upcoming Legislative Forum. These include the prescription drug reform, reinvest savings generated from reduction and reforms in programs that work and will generate more savings, and a proposed CD prevalence study county-by-county, similar to MH prevalence study.

The shift in the format is rather than emphasizing of personal stories of people, the legislators will first do the talking. The board will then dialogue with them and present the three legislative items.

The Legislative Forum will be held on November 21, 2002, 6:30-8:30 pm at Washington State Criminal Justice Training Center in Burien.

IV. ANNOUNCEMENTS

Helen Nilo announced NAMI Eastside Open House on October 1st in conjunction with National Mental Health Week. NAMI-Eastside's new offices are located in the Family Resource Center at 16315 NE 87th Street, Suite B in Redmond, WA 98052.

September is National Alcohol and Drug Addiction Recovery Month.

The Second Annual Move for Mental Health 5K Run/Walk is taking place on Saturday, September 28, 2002, 9:00 am at Sand Point Magnuson Park. The event sponsored by Seattle's Community Psychiatric Clinic and NAMI-WAMI Advocates for the Mentally Ill, aims to raise public awareness of mental illness by reaching out to the community.

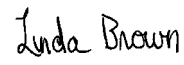
Eleanor Owen announced the resignation of Tom Richardson as President of NAMI.

There being no further business, the meeting was adjourned at 1:30 p.m.

Prepared by:

Rhoda A. Naguit
Recording Secretary

Attested by:


Linda Brown
Board Chair